Montgomery officials question sale of high school property to private academy

By <u>Michael Birnbaum and Miranda S. Spivack</u> Washington Post Staff Writer Thursday, October 28, 2010; 7:51 PM

A proposal to sell a former Montgomery County high school to the private school that rents it has raised concern among some elected officials, who say the county should not be selling school buildings when enrollment is growing and many classrooms are overcrowded.

These critics also point to the gap between the proposed purchase price and the assessed value of the property.

Officials with the Melvin J. Berman Hebrew Academy say they were performing a public service when they spent more than \$8 million on renovating the former Robert E. Peary High School in Rockville in 1996 and that they did so with the understanding that they eventually would be able to buy it.

Under the lease, signed during the administration of then-County Executive Douglas M. Duncan, the Peary property may be bought with county approval. County Executive Isiah Leggett (D) supports the idea, and the County Council, which heard the proposal Tuesday, must approve it.

Some council members are questioning the \$1.9 million deal, and the county school board unanimously signed on a letter of protest opposing the sale, saying that the school system projects 10,000 more students in the next five years with limited space.

"It's so shortsighted," said school board President Patricia O'Neill (Bethesda-Chevy Chase).

Berman Hebrew Academy's lease ends in 2023. As proposed, the school would buy the 20-acre site for \$1.9 million, based on 1996 appraisals that have been adjusted for inflation, according to lease documents. The assessed value of the land is \$14.5 million, but county officials said that was based on a commercial use for which it is not zoned.

A 2005 proposal to sell the property for \$1.6 million did not make it to a vote in the council.

The value of the building is not in the agreed purchase price in the lease, because the school was in poor condition when Berman Hebrew took it over.

An academy representative said that the school had signed the lease with the expectation that it would eventually buy the property and that the county should honor the deal.

"I think if the council withheld approval, it would be in violation of the lease agreement," said Behnam Dayanim, vice president of the school's board of directors.

Leggett said that he supported the sale. He also said that use of the site would be limited to schools and that the public would have use of the fields, gym and auditorium when the school isn't using them.

Council member Duchy Trachtenberg (D-At Large) said that she supports the proposal and that she thinks the lease gives the private school purchasing rights to the property.

But council member Phil Andrews (D-Gaithersburg-Rockville) said the deal "smells."

Andrews said Leggett might be doing a favor for former Duncan aide Jerry Pasternak, who helped engineer an <u>earlier lease for another Jewish day school</u> and worked on the Peary deal while on Duncan's staff.

Leggett said Pasternak has been helping the county executive's campaign try to win voter support for the county's <u>ambulance fee referendum</u> in Tuesday's election, which Andrews opposes. Leggett denied any connection between the two issues.

"This came as a result from a council member who wanted to close this out before she left," he said of Trachtenberg, who lost her reelection bid in last month's primary.

Negotiations over the school have lasted about eight months, and had she not requested acceleration of the deal, he would have waited until next month or December to propose it, Leggett said.

Pasternak said that his work on the referendum "has absolutely nothing to do with the academy" and that he has had "absolutely no conversation with anybody" about the school.

The County Council is scheduled to hold a hearing on the issue Nov. 23.